

INTERIM OPERATING AGREEMENT

THIS AGREEMENT is entered into this ~~13~~¹⁴ day of May, 2014, between the CITY OF DETROIT, a Michigan municipal corporation, whose address is 2 Woodward, Suite 500, Detroit, Michigan 48226 (hereinafter referred to as the "City"), and RASIER LLC, a Delaware limited-liability company, whose address is 182 Howard Street #8, San Francisco, California 94105 (hereinafter referred to as "Rasier").

Rasier refers to itself as a ride-sharing network that uses a digital platform to connect passengers to ridesharing operators using personal vehicles for the purpose of transportation. The City of Detroit has referred to this form of transportation service as a vehicle for hire, a transportation network company and/or a ride-sharing network. Regardless of how this form of transportation service is defined now by either of the parties, it is essentially an organization that matches drivers and riders on a prearranged basis, for trips provided by drivers using a personal vehicle, which will need to be resolved for any future ordinance.

"Rasier Partner" shall mean an individual who uses a personal vehicle to provide transportation services requested through the uberX platform in Detroit.

"Rasier Partner Vehicle" shall mean a personal vehicle that is used by a Rasier partner to provide transportation services requested through the uberX platform.

Rasier and the City agree to the principles set forth below with respect to Rasier's use of the uberX platform in the Uber software application, which it licenses from Uber Technologies, Inc. The parties agree that Rasier's acceptance of these principles acknowledges, solely for the purposes of this Agreement, that the City has the authority to enter into this Agreement. Rasier does not waive its right to contest the applicability of any laws or rules under the Detroit City Code, the General Statutes of the State of Michigan to Rasier, its use of the uberX platform, or Rasier Partners offering services requested through the uberX platform. Rasier does not waive its right to propose or support different principles, terms or conditions, or to raise any defense in any other local, state or federal regulatory or legal proceeding, including municipal-level proceedings. The City does not waive any right or authority to initiate any action under the Detroit City Code or the General Statutes of the State of Michigan.

RASIER AND THE CITY AGREE AS FOLLOWS:

The City is concurrently evaluating an amendment to Chapter 58, of the Detroit City Code, which would address "ridesharing network services." Pursuant to this Agreement, the City agrees to permit Rasier to operate in the City of Detroit while the City is evaluating an amendment of the City Code, subject to the conditions and restrictions set forth herein, until such time as the City shall adopt rules addressing rideshare network services. This Agreement shall expire upon the effective date of any amendment to the Detroit City Code addressing ridesharing network services, or two (2) years from the date hereof, whichever is first. The City may terminate this agreement upon thirty (30) days notice in its reasonable discretion.

RASIER AGREES TO THE FOLLOWING:

1. Rasier shall maintain a website that provides a customer service telephone number or email address.
2. Rasier shall maintain an agent for service of process in the city of Detroit, Michigan.
3. Rasier shall maintain accurate and up to date records of all Rasier Partners providing services requested through the uberX platform.
4. Upon completion of a trip, Rasier shall transmit or cause to be transmitted an electronic receipt to the passenger's email address or mobile application documenting the origination and destination of the trip and a description of the total amount paid, if any.
5. Rasier Partners shall accept only rides booked through the uberX digital platform and shall not solicit or accept street-hails.
6. Rasier Partners may offer service for compensation, no-charge, or suggested compensation. Rasier shall disclose rates used to determine any compensation or suggested compensation in the uberX platform in the Uber software application and/or website.
7. The app used by Rasier to connect Rasier Partners and passengers must display for the passenger a picture of the Rasier Partner and a picture or description (including license plate number) of the vehicle.
8. Rasier shall establish a driver-training program designed to ensure that each driver safely operates his or her vehicle prior to the driver being able to offer service.
9. Rasier shall implement a zero tolerance policy on the use of drugs or alcohol applicable to any Rasier Partner, provide notice of the zero tolerance policy on its website, as well as the procedures to report a complaint about a driver with whom the passenger was matched and for whom the passenger reasonably suspects was under the influence of drugs or alcohol during the course of the ride, and immediately deactivate said driver's access to the uberX platform upon receipt of a passenger complaint alleging a violation of the zero tolerance policy. The suspension shall last the duration of the investigation.
10. Prior to permitting a person to act as a Rasier Partner, and annually thereafter, Rasier shall obtain and review a criminal history research report for such person. The criminal background check will be a national criminal background check including the national sex offender database. Any person who has been convicted, within the past seven years, of driving under the influence of drugs or alcohol, or who has been convicted at any time for fraud, sexual offenses, use of a motor vehicle to commit a felony, a crime involving property damage, and/or theft, acts of violence, or acts of terror shall not be permitted to be a Rasier Partner.
11. Prior to permitting a person to act as a Rasier Partner, and quarterly thereafter, Rasier shall obtain and review a driving history research report for such person. Any person with (i) more than three (3) moving violations in the three-year period prior to such check, or (ii) a major violation in the three-year period prior to such check (including, but not limited to,

attempting to evade the police, reckless driving, or driving on a suspended or revoked license) shall not be permitted to be a Rasier Partner.

12. Rasier Partners shall adhere to the requirements of Michigan No-Fault Insurance. Rasier shall comply with State of Michigan business automobile liability insurance requirements and maintain a business automobile excess liability insurance policy, which covers all vehicles operated by Rasier Partners, with a minimum combined single limit of one million dollars (\$1,000,000.00) for each occurrence of bodily injury and property damage for accidents involving a vehicle and Rasier Partner in transit to or during a trip. As soon as practicable, Rasier shall provide to the City a certificate of insurance for such policy, naming Rasier as the insured and an endorsement naming the City of Detroit as an additional insured. The policy shall be accompanied by a commitment from the insurer that such policy shall not be canceled or coverage reduced without at least thirty (30) days prior notice to the City of Detroit.

13. Rasier Partners shall:

a. Possess a valid driver's license, proof of registration, maintain current automobile liability insurance, and be at least twenty-one (21) years of age; and

b. Provide proof of both the Rasier Partner's personal insurance and excess liability insurance in the case of an accident; provided, that the Rasier Partner shall have twenty-four (24) hours to provide proof of excess liability insurance.

14. Rasier Partner Vehicles may be street-legal coupes, sedans, or light-duty vehicles, including without limitation, vans, minivans, sport utility vehicles (SUVs), hatchbacks, convertibles and pickup trucks.

15. All Rasier Partner Vehicles shall have a safety inspection conducted annually by Rasier or a third party before being used to provide a service, pursuant to a procedure approved by the City. Such procedure shall, at a minimum, include inspection of the following components:

- a. Foot brakes;
- b. Parking brakes;
- c. Steering mechanism;
- d. Windshield;
- e. Rear window and other glass;
- f. Windshield wipers;
- g. Headlights;
- h. Tail lights;

- i. Turn indicator lights;
- j. Stoplights;
- k. Front seat adjustment mechanism;
- l. Doors (open, close, lock);
- m. Horn;
- n. Speedometer;
- o. Bumpers;
- p. Muffler and exhaust system;
- q. Condition of tires, including tread depth;
- r. Interior and exterior rear view mirrors; and
- s. Safety belts for driver and passenger(s).

THE CITY AGREES TO THE FOLLOWING:

1. While the City is determining if Rasier and Rasier Partners are subject to City regulation, the City will suspend enforcement of Detroit City Code, Chapter 58 against Rasier and Rasier Partners during the term of this Agreement, unless such enforcement stems solely and directly from violation of any of the provisions in this Agreement.

2. The City shall have the authority to enforce the requirements of this Agreement, including inspection of relevant records. Failure to adhere to the requirements of this Agreement by Rasier or a Rasier Partner may result in sanctions imposed by the City, or termination of this Agreement, at the City's discretion.

THE CITY OF DETROIT

By: 

Name: Melvin B. Hollowell

Its: Corporation Counsel

Rasier LLC,

By: 

Name: Travis Kalanick

Its: Manager